



INFORMATION FOR SOLICITORS AND CONVEYANCERS

PRIORITY NOTICES

PROPERTY PROTECTION FOR SOLICITORS, CONVEYANCERS AND THEIR CLIENTS

What is a Priority Notice?

A Priority Notice is a notification of intended dealing or dealings recorded on a property's title. It establishes priority for the intended dealing(s) against other dealings lodged after the Priority Notice. It temporarily prevents registration of other dealings, and is generally used for settlement related transactions, like property transfers and mortgages.

A Priority Notice provides protection for 60 days and can be extended for one additional 30-day period. It automatically expires at the end of 60 days, unless extended, and it must be current for an extension to be lodged.

Priority Notices have been available since 28 November 2016 under Part 7B of the Real Property Amendment Act 1900.

A Priority Notice can be recorded on title for the following dealings:

- Application to Record a New Registered Proprietor
- Change of Name
- Charge
- Discharge of Charge
- Discharge of Mortgage
- Lease
- Mortgage
- Mortgage of Charge
- Mortgage of Lease
- Notice of Death
- Request
- Sub-Lease
- Transfer by mortgagee under Power of Sale
- Transfer
- Transfer of Charge
- Transfer of Lease
- Transfer of Mortgage
- Transmission Application

Why record a Priority Notice on title?

A Priority Notice provides a simple way of stopping new legal interests in the land being registered prior to the registration of the dealings set out in the Priority Notice.

From an anti-fraud perspective, it puts interested parties on notice of future transactions enabling fraudulent activity to be stopped more easily.

When a client is **buying a property**, it will reduce the risk that another interest is recorded on the property's title, delaying or preventing settlement. It provides easy low-cost protection for your client who has spent years saving and searching for their perfect property or finding the right business location.

A Priority Notice provides all types of property the same level of protection whether it be residential, commercial, land or industrial.

Lodging a Priority Notice on the planned Transfer will ensure you have advance notification, and priority over, most dealings placed on Title.

For instance, gain priority on Title, and know in advance, if a Vendor is using the property they are selling to your client as security for an additional loan to purchase their next property (bridging finance). Recording a Priority Notice on Title will allow you to stay informed and ahead of any potential issues.

Some professionals rely on a Title Activity Check (TAC) to show activity on Title, however this shows items on Title, **after they have occurred**, when it is too late to take preventative action.

Timing

A Priority Notice can be lodged between exchange and settlement.

Things your client should know:

- Information about the option to protect an intended purchase before settlement using a Priority Notice
- Awareness of the potential risk of delay or non-settlement due to someone else registering their interest on the property title ahead of the client's interest

How to record a Priority Notice on title for your Client?

Recording a Priority Notice can only be done electronically; it is easy, simply lodge it through your Electronic Lodgment Network Operator (ELNO).

You only need three pieces of information to lodge a Priority Notice

The quickest and easiest way to record a Priority Notice on a property title is to lodge one for the planned Transfer.

For example, if your client is buying a property using borrowed funds (a Mortgage) you can lodge a Priority Notice specifying the Transfer. By doing this, you won't need to include details of the incoming mortgagee for your client to record their interest on a property title.

Attachment A shows an example of a Priority Notice lodged with the Transfer as the **Document Type** showing no incoming mortgagee details.

The three details needed to lodge a Priority Notice:

1. The Document Type (i.e. Transfer)
2. Land Title Reference, and
3. The Purchaser

Other details can be included, but they are not mandatory for the Priority Notice to be recorded on title.



Why record a Priority Notice on title instead of a Caveat?

A Priority Notice is more time efficient and cost effective than recording a Caveat on title, while still providing you and your client a level of comfort.

The table below sets out some of the similarities and differences between a Priority Notice and Caveat.

Priority Notice vs Caveat

Type	Priority Notice	Caveat
NSW LRS Lodgment Fee	\$40.31	\$147.70
Withdrawal – note, a Priority Notice automatically expires after 60 days	\$16.70	\$147.70
Extension	\$16.70	N/A
Must be lodged electronically through an ELNO	✓	✓
Must have a legal or equitable interest in a property	✓	✓
Must have an intended dealing	✓	✗
Property owner will be notified by NSW LRS	✗	✓
Expiry	60 days, or lodge an extension for an additional 30-day period	Remains on title unless it lapses, is formally withdrawn or removed by the court
Key provisions about scope and effect	<i>Real Property Act 1900 s 74W</i>	<i>Real Property Act 1900 s 74H</i>

NSW LRS Fees are correct at July 2021 and subject to change each financial year.

Find out more

<https://nswlrs.com.au/Titles-Dealings/Title-Information/Buying-Selling-Property-in-NSW/Priority-Notice>



Attachment A

The example below shows that when you lodge a Priority Notice specifying the Transfer document as the Document Type you do not need to add the details of the incoming mortgagee.

Priority Notice Example

Lodger Details

Lodger Code	508190	
Name	JOE SMITH	AP362424
Lodger Box	1W	
Reference	Douglas	

PRIORITY NOTICE

Jurisdiction NSW

Privacy Collection Statement

The information in this form is collected under statutory authority and used for the purpose of maintaining publicly searchable registers and indexes.

Land Title Reference
4/270895

Applicant

JANE DOUGLAS

MATTHEW JOHN DOUGLAS

Transaction Instruments

Order

1	Document Type	DISCHARGE OF MORTGAGE
	Dealing No.	AM808704
	Land Title Reference	4/270895
	Part Land?	N
2	Document Type	TRANSFER
	Party Receiving	JANE DOUGLAS MATTHEW JOHN DOUGLAS
	Land Title Reference	4/270895
	Part Land?	N

The recording of this Priority Notice is requested.

Applicant Execution

1. The Certifier has retained the evidence supporting this Registry Instrument or Document.
 2. The Certifier has taken reasonable steps to ensure that this Registry Instrument or Document is correct and compliant with relevant legislation and any Prescribed Requirement.
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Executed on behalf of	JANE DOUGLAS MATTHEW JOHN DOUGLAS
Signer Name	Joe Smith
Signer Organisation	JOE SMITH PTY LTD
Signer Role	Practitioner Certifier
Execution Date	01/07/2019
